



**North Carolina Department of Health and Human Services
Division of Mental Health, Developmental Disabilities and Substance Abuse Services**

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Michael F. Easley, Governor
Carmen Hooker Odom, Secretary

Michael Moseley, Director

August 31, 2005

MEMORANDUM

To: Legislative Oversight Committee Members
Commission for MH/DD/SAS
Consumer/Family Advisory Committee Chairs
State Consumer Family Advisory Committee Chairs
Advocacy Organizations and Groups
North Carolina Association of County Commissioners
County Managers
County Board Chairs
North Carolina Council of Community Programs
State Facility Directors
Area Program Directors
Area Program Board Chairs
DHHS Division Directors
Provider Organizations
MH/DD/SAS Professional Organizations and Groups
MH/DD/SAS Stakeholder Organizations and Groups
Other MH/DD/SAS Stakeholders

From: Mike Moseley 

Re: **Communication Bulletin #047**
Provider Endorsement Transition Plan



The Division of MH/DD/SA has published under Communication Bulletin #44 the policy and procedure regarding the endorsement of providers to enroll in the Medicaid program. In order to transition from the current situation in which most Medicaid covered services can only be billed by an Area/County Program to direct enrollment of all Medicaid providers of mental health, developmental disabilities and substance abuse services, a plan for orderly implementation is required. The transition plan is as follows:

- The transition phase-in period will begin September 1, 2005.
- Providers will be considered for "conditional endorsement" when the provider has not previously provided MH/DD/SA services in North Carolina or when the provider has not previously provided the specific service for which application is being made.
- During the transition period, conditional endorsement may be granted for up to eighteen (18) months.
- Conditional endorsement will be granted when the corporate and site/service specific elements of the application are submitted and approved, the provider meets the required conditional elements on the applicable service definition checklist, the provider meets the Memorandum of Agreement requirements, and the provider submits evidence of full compliance with Core Rules through a completed, standardized self study instrument.
- Corporate information will be submitted to the Area/County Program in which the provider's corporate office is located or, in the case of out-of-state providers, in the first Area/County Program from whom the provider seeks endorsement of a service.
- Site and service endorsement will be requested from the Area Authority/County Program in which the site and service is located. A site is defined as a location where management and supervision occurs.
- Full endorsement will be granted upon the Provider meeting all requirements noted above, including *all* elements of the applicable service definition checklist.



- All timelines reflected in the Policy and Procedure with the exception of those under item 4. Conditional and Full Endorsement, will apply during the transition phase-in period.
- A provider can directly enroll in the Medicaid program upon receiving conditional or full endorsement.

In an effort to address potential capacity issues and support service definition mastery, an “endorsement schedule” (or window) has been established for the transition period. Providers should apply for endorsement of the service they wish to provide during the timeframes indicated below. **Once the time period for endorsement of a service definition begins the LME must be prepared to process all endorsement requests for that definition received after that date.** The end date of each timeframe represents the final date for which the service may be billed by other providers using the Area/County Program’s Medicaid provider number, assuming that implementation of the revised Medicaid State Plan has occurred by that date.

We understand that the uncertainty around the implementation date continues to put stress on the public mental health, developmental disability and substance system and the consumers we serve. It remains our intent to implement the new services as quickly as possible. We do not want to delay any longer than absolutely necessary in making these improved services to North Carolina consumers. Therefore, we expect the LME’s and providers will continue to prepare for implementation despite this delay. The process of LME’s endorsing providers for enrollment in the Medicaid program should proceed as planned.

Phase I (September 1, 2005 – November 30, 2005)

- Community Support
- Community Support Team
- Diagnostic Assessment
- Mobile Crisis
- Intensive In-Home
- Multi-Systemic Therapy (MST)

Phase II (December 1, 2005-February 28, 2006)

- Developmental Therapies
- Assertive Community Treatment Team
- Psychosocial Rehabilitation
- Substance Abuse Comprehensive Outpatient Treatment
- Targeted Case Management
- Partial Hospitalization

Phase III (March 1, 2006-May 31, 2006)

- Substance Abuse Non-Medical Community Residential Treatment
- Substance Abuse Intensive Outpatient
- Substance Abuse Medically Monitored Community Residential Treatment
- Day Treatment
- Methadone Administration
- Facility Based Crisis

Phase IV (June 1, 2006-August 31, 2006)

- CAP-MR/DD Waiver Services
- Child Residential Treatment Services
- Detox Services

These timelines do not prevent an Area Authority/County Program from addressing an application for a service in a subsequent phase should they complete all requests for the existing phase, however, the beginning date of each phase will represent the earliest date by which providers will be enrolled directly in the Medicaid program. (Note that the vast majority of the providers in the final phase are already directly enrolled. This phase will simply bring those providers into the standardized endorsement process.)



The Division of MH/DD/SAS will maintain Provider endorsement information on the Division website that will include the name and address of all endorsed providers, the sites at which services have been endorsed for each provider, the provider contact information, the services endorsed for each site, the name of the endorsing Area Authority/County Program, type of endorsement, start and end date of endorsement, and any information regarding withdrawal of endorsement.

We look forward to a positive collaborative experience as we implement the endorsement process. Please continue to review Communication Bulletin #44 as additional documents in the form of service check sheets, MOA check sheets, as well as the template for state funded contracts will be added very soon. Questions or comments regarding this correspondence should be referred to Dick Oliver at Dick.Oliver@ncmail.net.

cc: Secretary Carmen Hooker Odom
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Allyn Guffey
Dan Stewart
DMH/DD/SAS Executive Leadership Team
DMH/DD/SAS Staff
DMA Deputy and Assistant Directors
Rob Lamme
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Wayne Williams
Kaye Holder
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Coalition 2001 Chair

